

## Project Summary Information Sovereign-Backed Financings

**Project Summary Information**

Date of Document Preparation/Updating: 10/24/24	
<b>Project Name</b>	Integrated Water Resources Management Project
<b>Project Number</b>	P000682
<b>AIIB member</b>	Cambodia
<b>Sector/Subsector</b>	Water
<b>Alignment with AIIB's thematic priorities</b>	Green infrastructure; Technology-enabled Infrastructure
<b>Status of Financing</b>	Under Preparation
<b>Objective</b>	The objective of Cambodia Integrated Water Resources Management Project (“the Project”) is to improve dry season irrigation water availability and to cope with wet season flooding in Pursat and Sangker River Basins through an integrated water resource management (IWRM) approach.
<b>Project Description</b>	<p>The Project will be co-financed with the Asian Development Bank (ADB), who will be the lead co-financier. To achieve the objective, the Project will: (i) strengthen the planning and coordination capacities of the provincial River Basin Management Committees (RBMCs); (ii) increase irrigation water availability in the dry season through construction and rehabilitation of water regulator and canals; and (iii) improve flood-control and drainage facilities to reduce flood risks in the wet season.</p> <p>Three components have been proposed for the Project: Component 1 - Strengthen the planning and coordination capacities of water resources management of provincial RBMCs; Component 2 - Increase irrigation water availability during the dry season; and Component 3 - Reduce flood risks during the wet season.</p>
<b>Expected Results</b>	<p>Component 1: Planning, coordination, and climate change adaptation capacities of the provincial RBMCs strengthened.</p> <p>Component 2: Irrigation water supply capacity increased during the dry season.</p>

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	Component 3: Flood risks reduced during the wet season.
<b>Environmental and Social Category</b>	ADB categorized Category B for Environment, B for Involuntary Resettlement and B for Indigenous Peoples (equivalent to Category B if AIIB's ESP were applicable).
<b>Environmental and Social Information</b>	<p><b>Applicable Policy and Standards.</b> The loan will be co-financed with ADB as lead co-financier, and the project's environmental and social (ES) risks and impacts are being assessed in accordance with ADB's Safeguard Policy Statement (SPS, 2009). To provide for a harmonized approach to addressing the ES risks and impacts of the project, and as permitted under AIIB's Environmental and Social Policy (ESP), ADB's SPS will apply to the project in lieu of AIIB's ESP. AIIB has reviewed ADB's SPS and is satisfied that: (a) it is consistent with AIIB's Articles of Agreement and materially consistent with the provisions of AIIB's ESP, including the Environmental and Social Exclusion List (ESEL) and the relevant Environmental and Social Standards (ESSs); and (b) the monitoring procedures that are in place are appropriate for the project.</p> <p><b>ES Categorization and Rationale.</b> ADB has categorized the ES risks and impacts of the Project as Category B for Environment, B for Involuntary Resettlement, and B for Indigenous Peoples (which are equivalent to Category B if AIIB ESP were applicable). The potential adverse ES impacts associated with the activities considered for financing are limited, not unprecedented or irreversible, localized to the Project's site, and can be successfully managed using good practice in an operational setting. The Project is categorized as "low risk" for the Covid-19 Health and Safety risk by ADB. The COVID-19 health and safety risks will be considered as part of the Project level risk assessment plans. Other social issues and risks will also be investigated and if the risks and impacts are real, measures to address would be included in the Project designs outcomes where relevant.</p> <p><b>E&amp;S Scoping and Planned Instruments.</b> The scope of social risks and impacts are being assessed and will be reconfirmed during project preparation. A Land Acquisition and Resettlement Planning Framework (LARPF) will be prepared to guide the land acquisition and resettlement planning, implementation and monitoring of the Project. A Land Acquisition and Resettlement Plan (LARP) will be developed to manage land acquisition and resettlement impacts by the Project. To address impacts and risks to the local Indigenous Peoples, if any, an Indigenous Peoples Planning Framework (IPPF) will be prepared guiding the assessment, planning, institutional arrangements, and other processes to be followed during implementation stage. An Indigenous People Plan (IPP) will be prepared and implemented if indigenous peoples are found presenting in the project's areas and the project has impacts on the indigenous people community. A Gender Action Plan (GAP) will be developed which will incorporate actions to address identified gender inequalities within the framework of the Project. On the environmental aspects, an Initial Environmental Examination (IEE) and Environmental Management Plan (EMP) will be prepared for the subprojects in conjunction with the feasibility studies.</p> <p><b>Environmental Risks and Impacts</b></p>

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The Project is expected to have negative environmental, health, and safety impacts during construction which include, but not limited to: air emissions; noise generation; contamination of surface water, soil environment and groundwater; impacts to flora and fauna; spoil disposal and use of borrow sites; soil erosion; solid waste generation; wastewater discharge; occupational health and safety; community health and safety; impact to cultural heritage; and other unanticipated impacts. And during operations, potential impacts may include, but not limited to: i) impacts on local ecohydrology, to patterns of flow in terms of water volume and water quality, particularly changes in sediments and/or contamination by pollutants; impacts to movement and migration of riverine fauna; impacts to ground water table; ii) degradation of soils (physical and chemical such as soil erosion, waterlogging and salinization); iii) nutrient management; iv) use and management of pesticides and fertilizers; v) crop residue and solid waste management; vi) community health and safety in terms of infrastructure and equipment design and safety, exposure to water-borne or water-related diseases, water quality for irrigation, and emergency preparedness and response; and vii) impacts on long-term sustainability of the water management system in terms of potential water use conflicts, and unsustainable irrigation practices.

**Land Acquisition and Involuntary Resettlement.** Land will be acquired for upgrading and construction of irrigation systems and flood controlling schemes – particularly the irrigation canal rehabilitations. Land acquisition impacts by the Project, however, are expected insignificant as only small parts of agricultural land of the households would be affected. Physical displacement would not happen as flooding controlling and irrigation structures to be upgraded and constructed are located outside of residential areas. Impacts on agricultural land of individuals/households would not be severe as only narrow strips of agricultural land along the irrigation canals would be required for the canal rehabilitations and small areas of agricultural land would be needed for constructions of flooding controlling schemes. The scale of the land acquisition impacts will be assessed and reconfirmed during project preparation.

**Ethnic Minorities.** The Project is located in the areas where there could be ethnic Cham communities living in the river basins areas. The impacts of the Project on the local ethnic minority communities, if any, are anticipated as limited. Local ethnic minority communities would have better access to irrigation for their farming to increase agricultural productivity. The only potential negative impact of the Project to the local ethnic minorities would be the minor land acquisition impact. The Project will not require large construction contractors for irrigation schemes; in addition, construction sites are out of the residential areas, there would be no disturbances on the Cham ethnic communities. Detailed investigation on the potential impacts of the Project on the local ethnic minority communities will be conducted during the project preparation stage.

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	<p><b>Gender Aspects.</b> The Project has the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women access to the use of opportunities, services, resources, assets, and participation in decision-making. Better access to irrigation and participation in the Farmer Water Use Committees (FWUCs) and other project’s interventions would improve rural livelihoods and women’s empowerment in water resource management. Accordingly, a gender action plan (GAP) will be developed with various measures to be planned and implemented to address identified gender.</p> <p><b>Stakeholder Engagement, Consultations, and Information Disclosure.</b> Meaningful consultations will be conducted with the stakeholders during the ES risks and impacts assessment. ES instruments will be prepared with adequate disclosure, including meaningful public consultations. Local authorities, affected households and the communities, including the ethnic minority communities will participate in ES assessment and implementation of ES instruments as well as in the monitoring processes. The ES documentation in English, and summary in Khmer language will be disclosed by the Ministry of Water Resources and Meteorology (MoWRAM) on its website and in hard copies in the Project areas. This documentation will also be disclosed on ADB and MoWRAM’s websites - and AIIB website will include links to the documentation on the MoWRAM’s website and ADB’s website.</p> <p><b>Labor and Working Conditions.</b> Risks and impacts on labor and working conditions include potential presence of minor agricultural workers in the command areas and on occupational health and safety - there is potential exposure to various hazards (physical such as operational hazards and machinery and vehicles; biological such as disease vectors and venomous animals; and chemical such as pesticides and herbicides). The management, mitigation, and monitoring measures to address risks and impacts on labor and working conditions will be included in the EMP.</p> <p><b>Project-Level Grievance Redress Mechanism (GRM) and ES Monitoring.</b> The Project shall establish and maintain a project-level GRM that is proportional, culturally appropriate, transparent, and accessible to receive and facilitate resolution of grievances related to the Project implementation. The Project will also establish and maintain a worker GRM, if needed. In addition to this, the MoWRAM will be responsible for the overall coordination of project monitoring. AIIB and ADB will jointly monitor the implementation of EMP and other ES action plans through biannual implementation support missions. Detail ES monitoring and reporting plan will be discussed and determined with MoWRAM during project preparation.</p>
<p><b>Cost and Financing Plan</b></p>	<p>Asian Infrastructure Investment Bank USD 80 million                  Asian Development Bank USD 80 million                  Government of Cambodia USD 16 million</p>

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<b>Borrower/Investee Company/Counterparty /Guaranteed entity</b>	Kingdom of Cambodia			
<b>Implementing Entity/Sponsor</b>	TBC			
<b>Estimated date of loan closing (SBF)</b>	May 2031			
<b>Contact Points:</b>	<b>AIIB</b>	<b>ADB</b>	<b>Borrower</b>	<b>Implementation Organization/Sponsor</b>
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<b>Date of Concept Decision</b>	01/18/24			
<b>Estimated Date of Appraisal Decision</b>	Q4 2024			
<b>Estimated Date of Financing Approval</b>	Q4 2024			
<b>Independent Accountability Mechanism</b>	As noted above, ADB's SPS (2009) will apply to this project instead of AIIB's ESP. Pursuant to AIIB's agreement with ADB, AIIB will rely on ADB's Accountability Mechanism to handle complaints relating to ES issues that may arise under the project. Consequently, in accordance with AIIB's Policy on the Project affected People's Mechanism (PPM), submissions to the PPM under this project will not be eligible for consideration by the PPM. Information on ADB's Accountability Mechanism is available at: <a href="https://www.adb.org/who-we-are/accountability-mechanism">https://www.adb.org/who-we-are/accountability-mechanism</a>			